VZCZCXRO9275 OO RUEHBI DE RUEHLM #0230/01 0371243 ZNY CCCCC ZZH O 061243Z FEB 07 FM AMEMBASSY COLOMBO TO RUEHC/SECSTATE WASHDC IMMEDIATE 5349 INFO RUEHRL/AMEMBASSY BERLIN PRIORITY 0182 RUEHKA/AMEMBASSY DHAKA PRIORITY 9868 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 6811 RUEHKT/AMEMBASSY KATHMANDU PRIORITY 4881 RUEHLO/AMEMBASSY LONDON PRIORITY 3509 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0592 RUEHNY/AMEMBASSY OSLO PRIORITY 3601 RUEHKO/AMEMBASSY TOKYO PRIORITY 2678 RUEHCG/AMCONSUL CHENNAI PRIORITY 7381 RUEHBI/AMCONSUL MUMBAI PRIORITY 5112 RUEHGV/USMISSION GENEVA PRIORITY 1778 RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY RHEFDIA/DIA WASHINGTON DC PRIORITY RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC PRIORITY RUEHBS/USEU BRUSSELS PRIORITY

C O N F I D E N T I A L SECTION 01 OF 05 COLOMBO 000230

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DEPARTMENT FOR SCA/INS

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TAGS: <u>PGOV</u> <u>PREL</u> <u>PTER</u> <u>PHUM</u> <u>MOPS</u> <u>CE</u>

SUBJECT: SRI LANKA: NEW MEGA-CABINET BOOSTS RAJAPAKSA

BROTHERS' CONTROL

REF: A. COLOMBO 170 ¶B. COLOMBO 186

Classified By: Ambassador Robert O. Blake, Jr., for reasons 1.4(b,d).

- (C) Summary. President Mahinda Rajapaksa's recent cabinet reshuffle has served to consolidate his and his brothers' control, particularly over the all-important defense portfolio. The new United National Party (UNP) ministers have settled for distinctly secondary ministries, while their defection has severely divided and weakened the main opposition UNP. The President now has a reasonable buffer of 9 seats in Parliament and has sidelined the Buddhist nationalist Janatha Vimukthi Peramuna (JVP). achieve this, the President has created a cabinet of 54 ministers and a similar number of deputies, perhaps a record anywhere -- but certainly for a country of only 20 million. New Foreign Minister Rohitha Bogollagama is far less likely than his predecessor to push the President on issues of concern to the international community, such as human rights. One joker in the President's deck is Ports and Aviation Minister Mangala Samaraweera, who retains an independent voice and support base. Samaraweera is becoming a magnet for those within the ruling SLFP who are dissatisfied with the Rajapaksa Government's nepotism, including over 20 Sri Lanka Freedom Party (SLFP) members of parliament (MPs) loyal to Chandrika Kumaratunga. See paras 5-13 for brief bios of significant new additions to the Cabinet. End Summary.
- ¶2. (C) President Mahinda Rajapaksa's recent cabinet reshuffle (ref a) has served to consolidate his and his brothers' control, particularly over the defense establishment. The post of Deputy Defense Minister (formerly held by Prime Minister Wickremenayake) is now vacant, leaving only the President, as Defense Minister, and his brother Gothabaya, the Defense Secretary, responsible for military policy. The addition of UNP members to the cabinet has not in any way weakened the President's hold on power. The new UNP ministers have been given relatively less important ministries. The defection of the "crossovers" has seriously weakened the UNP. The President now has a respectable buffer of 9 seats in Parliament, and no longer has to depend on JVP

support. Moreover, new Foreign Minister Rohitha Bogollagama is far less likely than his outspoken predecessor to challenge the President on human rights, humanitarian relief, and relations with the West.

- (C) Nevertheless, Mangala Samaraweera retains his independent base and could be in a position to cause trouble for the Rajapaksas down the road. The Ports and Aviation Minister, who previously also held the Foreign Ministry, is becoming a key figure among those dissatisfied with the Rajapaksa Government's nepotism. He appears to be finding common ground with at least 20 SLFP MPs considered close to former President Chandrika Kumaratunga. Samaraweera reportedly opted for Ports and Aviation instead of the Foreign Ministry because he felt new Foreign Secretary Palitha Kohona would be too beholden to the Rajapaksas, thus limiting Samaraweera's independence of action. As Ports and Aviation Minister, he will also have line responsibility for a Rajapaksa pet project, Mihin Air, a new budget airline that the GSL plans to launch this month. Rumors abound that the Rajapaksas planned to take private equity positions in this venture, but fund it using public pension money.
- 14. (C) A UNP MP who is a Ranil loyalist last week told us that the UNP MPs crossed over for three reasons: some, nearing retirement, felt they couldn't wait any longer to become ministers. Some, implicated in corruption charges, were seeking ministerial immunity. The rest were followers of these other two groups and felt obligated to follow their mentors, lest their financial support dry up. This view overlooks a more important factor: that many were fed up with Ranil's autocratic style and losing record. However, it does

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help explain why these MPs would have settled for relatively little in joining the government.

The following is bio information on key new ministers:

Rohitha Bogollagama, Minister of Foreign Affairs

15. (C) Rohitha Bogollagama, previously Minister of Enterprise Development and Investment Promotion (2005-2007), is a lawyer-turned-politician and Rajapaksa loyalist. His friendly relations with the President go back to school days. He was a leading member of the GSL's peace negotiating team at the Geneva peace talks in February 2006. Bogollagama was originally elected as a UNP MP from Kurunegala District in 12000. He crossed over to the SLFP from the UNP in 2004 and was given the Ministry of Advanced Technology and National Enterprises. He served as Minister of Industries from 2002-2004. Prior to entering politics, he was Legal Advisor to Voice of America from 1991-1999 and maintained close ties to the Embassy. He has experience in handling commercial, trade, and shipping dispute resolution settlements and arbitration. He also served as Chairman and Director General of the Board of Investment of Sri Lanka from 2005-2007 and has held key positions in several public corporations. His personal problems have often hit the newspapers. He is a lavish spender of public money, taking his family on foreign trips at government expense. His son's unofficial presence at the Geneva peace talks attracted severe media criticism. Bogollagama is estranged from his wife, who has made a habit of publicly confronting Bogollagama's allegedly numerous paramours. His son, 27, is studying business in Singapore and a daughter, 25, studies medicine in India. He is a Sinhalese Buddhist.

Karu Jayasuriya, Minister of Public Administration and Home Affairs  $\,$ 

16. (C) Karu Jayasuriya joined the UNP in 1994 and was former Deputy Leader of the United National Party from 2000-2006. First elected to Parliament in 2000, he became Minister of

Power and Energy in the 2001 UNP-led Government. He served as Leader of the Opposition of the Western Provincial Council from 1999-2000 and Mayor of Colombo from 1997-1999.

Jayasuriya was appointed Ambassador to Germany in 1992, with concurrent accreditation to Austria and Switzerland. He served as a commissioned officer in the Sri Lankan Army from 1965-1972. Jayasuriya hails from Gampaha District, is married, and has two daughters. One daughter is married to UNP MP Navin Dissanayake, who also joined the Government in January 2007 as non-Cabinet Minister of Enterprise Development and Investment Promotion. Jayasuriya, born on September 29, 2006, is a Sinhalese Buddhist, speaks excellent English, and is well disposed to the United States.

 ${\tt G.L.}$  Peiris, Minister of Export Development and International Trade

17. (C) G.L. Peiris is one of Sri Lanka's leading intellectuals and a prominent UNP MP. He served from 2002-2004 as Minister of Enterprise Development and Constitutional Affairs and chief government policy spokesman under Ranil Wickremesinghe's United National Front (UNF) Government. He also served as head of the GSL Peace Delegation in the round of negotiations that led to the Oslo and Tokyo Declarations. A moderate on the peace process, he has urged the Government to test the sincerity of the Liberation Tigers of Tamil Eelam (LTTE) through negotiations. He has criticized the GSL for going into war without a clear political strategy. Peiris first entered politics at the invitation of Chandrika Kumaratunga in 1994. He held various portfolios in her government, including Minister of Justice,

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Minister of Constitutional Affairs, Minister of Industrial Development, and Deputy Minister of Finance. He crossed over to the UNP in 2001 after accusing the PA and Kumaratunga of inefficiency and gross abuse of power. A brilliant scholar and public speaker in both English and Sinhala, Peiris has authored several law texts widely used in Sri Lanka. He is married and has one daughter.

Milinda Moragoda, Minister of Tourism

18. (C) Milinda Moragoda, a prominent UNP MP from Colombo District, was a close confident of UNP leader Ranil Wickremesinghe. From 2002-2004 he served in the UNF government as Minister of Economic Reform and also was involved in defense reform. A moderate on the peace process, he was a key member of the GSL delegation to the 2002-2003 peace talks with the LTTE. He refused President Rajapaksa's entreaties to take a higher-profile ministry, both out of caution and because he did not want to buried in the often extravagant patronage demands that come with running large ministries. In the late 1980s and early 1990s, he was an important adviser to President Premadasa on economic, financial, and trade issues. Moragoda manages several banks and companies owned by his family and hosts a popular talk show on current events on a local private television channel. He has written many op-ed pieces for local and international publications. Moragoda was educated in Sri Lanka and Switzerland, and was a fellow at Harvard's International Affairs Institute from 1994-1995. He is well-spoken, self-assured, and at ease with Westerners. Moragoda, also a U.S. citizen, is married to a U.S. citizen. A Sinhalese Buddhist, he speaks excellent English and some Sinhala.

Rauff Hakeem, Minister of Posts and Telecommunications

19. (C) Rauff Hakeem, leader of the Sri Lanka Muslim Congress, is one of Sri Lanka's top Muslim leaders. In 2000, President Kumaratunga appointed him Minister of International Trade, Ports Development and Shipping, and Muslim Religious Affairs. In 2001, after pledging support to the new UNP

government, he became Minister of Ports Development and Shipping, Eastern Province Development, and Muslim Religious Affairs. He served on Sri Lanka's peace delegation in 2002-2003 and has pressed for a separate Muslim delegation to future talks. He first entered Parliament in 1994 and that same year was appointed Deputy Chairman of Committees, the number three position in Parliament. Hakeem is a graduate of the Sri Lankan Law College. Hakeem speaks excellent English, and is friendly with American diplomats.

Champika Ranawaka, Minister of Environment and Natural Resources

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110. (C) Champika Ranawaka, an electrical engineer, is the theoretician and policy formulator for the Jathika Hela Urumaya (JHU). One of the few laypersons in the leadership of the monk-based JHU, he is a radical Sinhalese nationalist. He became an MP just last week, after another JHU MP, a monk, stepped down in his favor. He was the national organizer for the Sinhala Urumaya, a Sinhalese nationalist party formed in 2000. He formed the National Movement Against Terrorism in 1998 and the Sinhala Nationalists' Movement in 1992. Champika joined the JVP in 1986 and in 1987 formed the Organization to Protect the Motherland, which protested the Indo-Lanka peace accord. Champika studied at the University of Moratuwa and later lectured there. He hails from Kalutara district, is married, has two children, and speaks good English.

Sarath Amunugama, Minister of Enterprise Development and Investment Promotion

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111. (C) Sarath Amunugama, previously Minister of Public Administration (2005-2007), is a former civil servant and Chandrika Kumaratunga loyalist. He held the Ministry of Finance in Kumaratunga's People's Alliance (PA) Government in 2004, but fell out of favor with President Rajapaksa in 2005 because his budget proposals did not fully support the Mahinda Chintana ("Mahinda's Thoughts"). He also has served as the Vice President of the United People's Freedom Alliance (led by the SLFP), Deputy Secretary of the SLFP, and media spokesman of the PA. Amunugama was first elected to Parliament as a UNP MP in 1994. In 1999, he joined the PA. In his civil service career, he served as Chairman of Lake House, a state-owned newspaper group, Secretary to the Ministry of Media and Tourism, and Government Agent of Kandy. He also served as Secretary General of the Asian Media Information and Communication center in Singapore and as Director of Communication Development at UNESCO in Paris. 1990, he spent a year as a visiting fellow at Harvard's Department of Anthropology. He earned a degree in Communication from the University of Regina in Canada in 1973 and completed his doctoral studies in anthropology in 1986 at the University of Paris.

Bandula Gunewardena, Minister of Trade, Marketing Development, Cooperatives and Consumer Affairs

112. (C) Bandula Gunewardena is a UNP MP and previous UNP Minister for Rural Economy. He crossed over to the UNP from the Mahajana Eksath Peramuna (a socialist party allied with the PA) with G.L. Peiris and others who accused Kumaratunga's government of inefficiency and gross abuse of power. Since joining the UNP, he has become an advocate of economic liberalization. In 2006, he led a group of UNP MPs who called for the appointment of a parliamentary select committee to probe the conduct of Central Bank Governor Cabraal and his alleged involvement in pyramid schemes. He is expected to withdraw these charges now that he has joined the Government. Prior to entering politics, Gunewardena was an economics teacher.

113. (C) P. Dayaratne has been a UNP MP since 1977. As part of his new portfolio, he will oversee negotiations with the Millennium Challenge Corporation. He has held various cabinet portfolios in UNP governments since the 1970s, including Power and Energy (1987), Lands, Mahaweli, and Irrigation (1989), Rehabilitation, Reconstruction, and Welfare (1991-1994) and Health, Nutrition, and Welfare (2002-2004). Dayaratne comes from a Colombo suburb, but represents the southeastern Ampara District in Parliament. Before entering politics, he served as an engineer in the civil service. Dayaratne is a graduate of Brighton Technical College in the United Kingdom. He is married.

## COMMENT: THE BIG TENT

114. (C) We eagerly anticipate the outcome of an opposition effort to submit the new Cabinet to the Guinness Book of World Records. It has been difficult enough to construct so many ministerial portfolios; our favorite is the "Ministry of Indigenous Medicine." It was telling that the opening session of Parliament under the new arrangements broke out in pandemonium when SLFP stalwarts and leaders of the smaller parties revolted at being relegated to back benches to accommodate the new, swollen ministerial ranks -- including the UNP crossovers. There was a delay of about two hours while an all-party ad-hoc committee sorted out the ruckus. The first meeting of the full Cabinet also has been postponed

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indefinitely until a room large enough to accommodate the group is located. Time will tell how solid the foundation of the President's new majority is - but it is clear that it was hard indeed to construct a roof capacious enough to cover it. BLAKE